



QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2009
OF THE CONDITION AND AFFAIRS OF THE

Priority Health

NAIC Group Code	3383	3383	NAIC Company Code	95561	Employer's ID Number	38-2715520
	(Current Period)	(Prior Period)				
Organized under the Laws of	Michigan			State of Domicile or Port of Entry	Michigan	
Country of Domicile	United States					
Licensed as business type:	Life, Accident & Health []		Property/Casualty []		Hospital, Medical & Dental Service or Indemnity []	
	Dental Service Corporation []		Vision Service Corporation []		Health Maintenance Organization [X]	
	Other []		Is HMO, Federally Qualified? Yes [] No [X]			
Incorporated/Organized	03/07/1986		Commenced Business	10/15/1986		
Statutory Home Office	1231 East Beltline NE			Grand Rapids, MI 49525-4501		
	(Street and Number)			(City, State and Zip Code)		
Main Administrative Office	1231 East Beltline NE		Grand Rapids, MI 49525-4501		616-942-0954	
	(Street and Number)		(City or Town, State and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	1231 East Beltline NE		Grand Rapids, MI 49525-4501			
	(Street and Number or P.O. Box)		(City or Town, State and Zip Code)			
Primary Location of Books and Records	1231 East Beltline NE		Grand Rapids, MI 49525-4501		616-464-8926	
	(Street and Number)		(City, State and Zip Code)		(Area Code) (Telephone Number)	
Internet Web Site Address	www.priority-health.com					
Statutory Statement Contact	Kristy Shoemaker			616-464-8926		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	kristy.shoemaker@priority-health.com			616-942-7916		
	(E-Mail Address)			(Fax Number)		

OFFICERS

Name	Title	Name	Title
Kimberly K Horn	President / Chief Executive Officer	Gregory A Hawkins	Treasurer / Chief Financial Officer
Judith W Hooyenga	Secretary		

OTHER OFFICERS

DIRECTORS OR TRUSTEES

Dennis Aloia	Craig H Bethune	Richard C Breon	Gaylen J Byker
Karl D Deck	Georgia R Fojtasek	Michael P Freed	Lynn Kotecki
Michael I Love	Peter B Lundeen	Christina MacInnes	Edward M Millermaier
Kathleen S Ponitz	Robert W Roth	Thomas G Schwaderer	Timothy V Smith
Hilary F Snell	Dale M Sowders	James J Stephanak	Jody D Vanderwel
Douglas A Zwemer			

State of Michigan
County of Kent ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Kimberly K Horn President / Chief Executive Officer	Gregory A Hawkins Treasurer / Chief Financial Officer	Judith W Hooyenga Secretary
a. Is this an original filing? Yes [X] No []		
b. If no,		
1. State the amendment number		
2. Date filed		
3. Number of pages attached		
Catherine H. Sochanek, Administrative Assistant 05/12/2016		

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	154,848,186		154,848,186	138,250,302
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks	75,231,291		75,231,291	63,886,638
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$0 encumbrances)	689,366	689,366	0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$(23,213,712)), cash equivalents (\$1,999,933) and short-term investments (\$185,206,419)	163,992,640		163,992,640	178,640,493
6. Contract loans (including \$premium notes)			0	0
7. Other invested assets	0		0	0
8. Receivables for securities	1,328,818		1,328,818	0
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	396,090,301	689,366	395,400,935	380,777,433
11. Title plants less \$charged off (for Title insurers only)			0	0
12. Investment income due and accrued	2,049,773		2,049,773	2,769,247
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	18,279,138	192,035	18,087,103	12,237,880
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums)			0	0
13.3 Accrued retrospective premiums			0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	433,253		433,253	0
14.2 Funds held by or deposited with reinsured companies			0	0
14.3 Other amounts receivable under reinsurance contracts			0	0
15. Amounts receivable relating to uninsured plans			0	0
16.1 Current federal and foreign income tax recoverable and interest thereon			0	0
16.2 Net deferred tax asset			0	0
17. Guaranty funds receivable or on deposit			0	0
18. Electronic data processing equipment and software			0	0
19. Furniture and equipment, including health care delivery assets (\$0)	12,876,790	12,876,790	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
21. Receivables from parent, subsidiaries and affiliates	1,162,806		1,162,806	1,430,495
22. Health care (\$5,460,216) and other amounts receivable	8,565,871	1,194,811	7,371,060	5,501,539
23. Aggregate write-ins for other than invested assets	4,009,874	4,009,874	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	443,467,806	18,962,876	424,504,930	402,716,594
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
26. Total (Lines 24 and 25)	443,467,806	18,962,876	424,504,930	402,716,594
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above)	0	0	0	0
2301. Intangible.....	2,625,000	2,625,000	0	0
2302. Prepaid expenses.....	1,384,874	1,384,874	0	0
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	4,009,874	4,009,874	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$0 reinsurance ceded)	90,586,508	9,435,565	100,022,073	112,470,118
2. Accrued medical incentive pool and bonus amounts	17,986,463		17,986,463	19,119,090
3. Unpaid claims adjustment expenses	1,534,816	246,674	1,781,490	1,930,415
4. Aggregate health policy reserves	112,085		112,085	127,853
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserve			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance	22,503,604		22,503,604	18,929,223
9. General expenses due or accrued	682,285		682,285	6,087,053
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized gains (losses))			0	0
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others	177,631		177,631	101,827
13. Remittances and items not allocated			0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	42,009,472		42,009,472	22,793,400
16. Payable for securities	1,395,462		1,395,462	0
17. Funds held under reinsurance treaties with (\$ authorized reinsurers and \$ unauthorized reinsurers)			0	0
18. Reinsurance in unauthorized companies			0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
20. Liability for amounts held under uninsured plans	534,691		534,691	36,152
21. Aggregate write-ins for other liabilities (including \$ current)	0	0	0	0
22. Total liabilities (Lines 1 to 21)	177,523,017	9,682,239	187,205,256	181,595,131
23. Aggregate write-ins for special surplus funds	XXX	XXX	1,000,000	1,000,000
24. Common capital stock	XXX	XXX	8,524	8,524
25. Preferred capital stock	XXX	XXX		0
26. Gross paid in and contributed surplus	XXX	XXX	35,821,002	35,821,002
27. Surplus notes	XXX	XXX	33,839,572	33,839,572
28. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
29. Unassigned funds (surplus)	XXX	XXX	166,630,576	150,452,365
30. Less treasury stock, at cost:				
30.1 shares common (value included in Line 24) \$)	XXX	XXX		0
30.2 shares preferred (value included in Line 25) \$)	XXX	XXX		0
31. Total capital and surplus (Lines 23 to 29 minus Line 30)	XXX	XXX	237,299,674	221,121,463
32. Total liabilities, capital and surplus (Lines 22 and 31)	XXX	XXX	424,504,930	402,716,594
DETAILS OF WRITE-INS				
2101.				
2102.				
2103.				
2198. Summary of remaining write-ins for Line 21 from overflow page	0	0	0	0
2199. Totals (Lines 2101 thru 2103 plus 2198) (Line 21 above)	0	0	0	0
2301. Appropriated Retained Earnings	XXX	XXX	1,000,000	1,000,000
2302.	XXX	XXX		
2303.	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	XXX	XXX	1,000,000	1,000,000
2801.	XXX	XXX		
2802.	XXX	XXX		
2803.	XXX	XXX		
2898. Summary of remaining write-ins for Line 28 from overflow page	XXX	XXX	0	0
2899. Totals (Lines 2801 thru 2803 plus 2898) (Line 28 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months.....	XXX	3,277,422	3,222,856	4,301,204
2. Net premium income (including \$0 non-health premium income).....	XXX	983,558,772	941,474,108	1,256,590,502
3. Change in unearned premium reserves and reserve for rate credits	XXX		.0	.0
4. Fee-for-service (net of \$ medical expenses)	XXX		.0	.0
5. Risk revenue	XXX		.0	.0
6. Aggregate write-ins for other health care related revenues	XXX	506,419	386,410	949,458
7. Aggregate write-ins for other non-health revenues	XXX	.0	.0	.0
8. Total revenues (Lines 2 to 7)	XXX	984,065,191	941,860,518	1,257,539,960
Hospital and Medical:				
9. Hospital/medical benefits		649,879,986	632,026,842	840,957,186
10. Other professional services		360,289	592,096	729,482
11. Outside referrals		25,260,542	26,374,032	32,280,413
12. Emergency room and out-of-area		26,635,352	22,053,972	29,595,069
13. Prescription drugs		169,581,152	160,625,946	214,219,421
14. Aggregate write-ins for other hospital and medical.....	.0	.0	.0	.0
15. Incentive pool, withhold adjustments and bonus amounts.....		18,665,277	15,249,230	21,054,014
16. Subtotal (Lines 9 to 15) .....	.0	890,382,598	856,922,118	1,138,835,585
Less:				
17. Net reinsurance recoveries		480,143	1,156,343	1,335,332
18. Total hospital and medical (Lines 16 minus 17) .....	.0	889,902,455	855,765,775	1,137,500,253
19. Non-health claims (net).....			.0	.0
20. Claims adjustment expenses, including \$ 7,005,462 .....cost containment expenses.....		41,208,600	13,472,507	18,306,305
21. General administrative expenses.....		49,057,661	77,006,699	103,735,730
22. Increase in reserves for life and accident and health contracts including \$ increase in reserves for life only).....			.0	.0
23. Total underwriting deductions (Lines 18 through 22) .....	.0	980,168,716	946,244,981	1,259,542,288
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	3,896,475	(4,384,463)	(2,002,328)
25. Net investment income earned		5,409,846	9,815,050	13,913,515
26. Net realized capital gains (losses) less capital gains tax of \$.....0		(1,166,494)	30,873	88,991
27. Net investment gains (losses) (Lines 25 plus 26) .....	.0	4,243,352	9,845,923	14,002,506
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$ ..... ) .....			.0	.0
29. Aggregate write-ins for other income or expenses .....	.0	1,265,160	729,896	1,056,129
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	9,404,987	6,191,356	13,056,307
31. Federal and foreign income taxes incurred	XXX		.0	.0
32. Net income (loss) (Lines 30 minus 31)	XXX	9,404,987	6,191,356	13,056,307
DETAILS OF WRITE-INS				
0601. Wellness Program Revenue.....	XXX	506,419	386,410	949,458
0602.	XXX			
0603.	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	.0	.0	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	506,419	386,410	949,458
0701.	XXX			
0702.	XXX			
0703.	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	.0	.0	.0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0	0
1401.				
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page .....	.0	.0	.0	.0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0	0
2901. Management Fee Revenue.....		1,265,160	729,896	1,056,129
2902.				
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page .....	.0	.0	.0	.0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	1,265,160	729,896	1,056,129

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year
CAPITAL AND SURPLUS ACCOUNT:			
33. Capital and surplus prior reporting year.....	221,121,463	215,448,957	215,448,957
34. Net income or (loss) from Line 32.....	9,404,987	6,191,356	13,056,307
35. Change in valuation basis of aggregate policy and claim reserves.....		0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	6,271,876	(8,008,402)	(13,732,497)
37. Change in net unrealized foreign exchange capital gain or (loss).....		0	0
38. Change in net deferred income tax.....		0	0
39. Change in nonadmitted assets.....	501,348	2,841,765	1,130,446
40. Change in unauthorized reinsurance.....	0	0	0
41. Change in treasury stock.....		0	0
42. Change in surplus notes.....	0	0	0
43. Cumulative effect of changes in accounting principles.....		0	0
44. Capital Changes:			
44.1 Paid in.....		0	0
44.2 Transferred from surplus (Stock Dividend).....		0	0
44.3 Transferred to surplus.....		0	0
45. Surplus adjustments:			
45.1 Paid in.....		0	0
45.2 Transferred to capital (Stock Dividend).....0	0	0	0
45.3 Transferred from capital.....		0	0
46. Dividends to stockholders.....		0	0
47. Aggregate write-ins for gains or (losses) in surplus.....0	0	5,218,250	5,218,250
48. Net change in capital & surplus (Lines 34 to 47).....	16,178,211	6,242,969	5,672,506
49. Capital and surplus end of reporting period (Line 33 plus 48)	237,299,674	221,691,926	221,121,463
DETAILS OF WRITE-INS			
4701. Purchase Price Adjustment.....	0	5,218,250	5,218,250
4702.			
4703.			
4798. Summary of remaining write-ins for Line 47 from overflow page.....0	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	5,218,250	5,218,250

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance.....	981,265,861	1,248,619,274
2. Net investment income	6,324,847	13,977,223
3. Miscellaneous income	506,419	949,458
4. Total (Lines 1 to 3)	988,097,127	1,263,545,955
5. Benefit and loss related payments	904,488,156	1,120,663,364
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		0
7. Commissions, expenses paid and aggregate write-ins for deductions	94,056,255	117,706,338
8. Dividends paid to policyholders		0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	0	0
10. Total (Lines 5 through 9)	998,544,411	1,238,369,702
11. Net cash from operations (Line 4 minus Line 10)	(10,447,284)	25,176,253
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	51,389,391	52,403,196
12.2 Stocks	7,512,188	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	17,150	7,190
12.7 Miscellaneous proceeds	330,710	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	59,249,439	52,410,386
13. Cost of investments acquired (long-term only):		
13.1 Bonds	67,880,712	56,360,363
13.2 Stocks	13,440,764	15,432,002
13.3 Mortgage loans	0	0
13.4 Real estate	70,243	232,351
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	81,391,719	72,024,716
14. Net increase (or decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(22,142,280)	(19,614,330)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied).....	17,941,710	3,018,369
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	17,941,710	3,018,369
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(14,647,854)	8,580,292
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	178,640,494	170,060,202
19.2 End of period (Line 18 plus Line 19.1)	163,992,640	178,640,494

STATEMENT AS OF SEPTEMBER 30, 2009 OF THE Priority Health

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION										
	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	359,715	1,513	348,434	.0	.0	.0	.0	9,768	.0	.0
2 First Quarter	361,491	1,484	344,775	.0	.0	.0	.0	15,232	.0	.0
3 Second Quarter	364,376	1,577	346,562	.0	.0	.0	.0	16,237	.0	.0
4. Third Quarter	370,904	1,577	352,334					16,993		
5. Current Year	.0									
6 Current Year Member Months	3,277,422	13,783	3,120,859					142,780		
Total Member Ambulatory Encounters for Period:										
7. Physician .....	.0									
8. Non-Physician .....	.0									
9. Total	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10. Hospital Patient Days Incurred	70,817	237	53,606					16,974		
11. Number of Inpatient Admissions	16,154	60	13,626					2,468		
12. Health Premiums Written	984,561,209	2,644,904	871,428,329					110,487,976		
13. Life Premiums Direct.....	.0									
14. Property/Casualty Premiums Written .....	.0									
15. Health Premiums Earned	983,558,772	2,641,906	870,440,312					110,476,554		
16. Property/Casualty Premiums Earned .....	.0									
17. Amount Paid for Provision of Health Care Services	904,129,024	4,931,883	814,118,439					85,078,702		
18. Amount Incurred for Provision of Health Care Services	890,382,598	4,854,279	797,303,566					88,224,753		

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$110,487,976

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

[illegible]

UNDERWRITING AND INVESTMENT EXHIBIT
ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital & medical)	86,923,623	727,946,217	2,282,105	85,602,377	89,205,728	103,478,579
2. Medicare Supplement					0	0
3. Dental Only					0	0
4. Vision Only					0	0
5. Federal Employees Health Benefits Plan					0	0
6. Title XVIII - Medicare	7,332,054	77,746,648	78,015	12,059,576	7,410,069	8,991,540
7. Title XIX - Medicaid					0	0
8. Other Health					0	0
9. Health Subtotal (Lines 1 to 8).....	94,255,677	805,692,865	2,360,120	97,661,953	96,615,797	112,470,119
10. Healthcare receivables (a)	4,811,609	9,952,356	271,567	5,457,505	5,083,176	5,083,176
11. Other non-health					0	0
12. Medical incentive pools and bonus amounts	18,098,766	845,680	2,305,880	15,680,583	20,404,646	19,119,090
13. Totals	107,542,834	796,586,189	4,394,433	107,885,031	111,937,267	126,506,033

(a) Excludes \$ 0 loans and advances to providers not yet expensed.

NOTES TO FINANCIAL STATEMENTS

1. Organization and Summary of Significant Accounting Policies

No material changes from year end disclosures.

2. Accounting Changes and Correction of Errors

No material changes from year end disclosures.

3. Business Combinations and Goodwill

No material changes from year end disclosures.

4. Discontinued Operations

No material changes from year end disclosures.

5. Investments

No material changes from year end disclosures.

6. Joint Ventures, Partnerships and Limited Liability Companies

No material changes from year end disclosures.

7. Investment Income

No material changes from year end disclosures.

8. Derivative Instruments

No material changes from year end disclosures.

9. Income Taxes

No material changes from year end disclosures.

10. Information Concerning Parent, Subsidiaries, and Affiliates

The Company contributed capital to its subsidiary, Priority Health Insurance Company, in the amount of \$6,000,000 in June 2009.

11. Debt

No material changes from year end disclosures.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

No material changes from year end disclosures.

13. Capital and Surplus, Shareholder's Dividend Restrictions, and Quasi-Reorganizations

No material changes from year end disclosures.

14. Contingencies

No material changes from year end disclosures.

15. Leases

No material changes from year end disclosures.

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

No material changes from year end disclosures.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

No material changes from year end disclosures.

18. Gain of Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

NOTES TO FINANCIAL STATEMENTS

No material changes from year end disclosures

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

No material changes from year end disclosures.

20. Other Items

No material changes from year end disclosures.

21. Events Subsequent

No material changes from year end disclosures.

22. Reinsurance

No material changes from year end disclosures.

23. Retrospectively Rated Contracts & Contracts Subject to Redetermination

No material changes from year end disclosures

24. Change in Incurred Claims and Claim Adjustment Expenses

Adjustments to previously rendered claims reserve estimates are reflected in the statement of operations in the period in which the estimates are revised. Such reserve adjustments consist of restatements of claim estimates and release of any margin associated with these estimates. Reserve adjustments were favorable by \$14.6 million year-to-date, decreasing the prior year-end claim reserve estimates of \$126.5 million to \$111.9 million.

25. Intercompany Pooling Arrangements

No material changes from year end disclosures.

26. Structured Settlements

No material changes from year end disclosures.

27. Health Care Receivables

No material changes from year end disclosures.

28. Participating Policies

No material changes from year end disclosures.

29. Premium Deficiency Reserves

No material changes from year end disclosures.

30. Anticipated Salvage and Subrogation

No material changes from year end disclosures.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes ☐ No ☒
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes ☐ No ☐
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒
- 2.2

If yes, date of change:
3.

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes ☐ No ☒

If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 4.2

If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes ☐ No ☒ NA ☐

If yes, attach an explanation.
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2006
- 6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2006
- 6.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

05/26/2008
- 6.4

By what department or departments?

State of Michigan Office of Financial and Insurance Regulation
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes ☐ No ☐ NA ☒
- 6.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☐ No ☒ NA ☐
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒
- 7.2

If yes, give full information:
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes ☐ No ☒
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes ☐ No ☒
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC

GENERAL INTERROGATORIES

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?.....

Yes ☒ No ☐
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 9.11

If the response to 9.1 is No, please explain:

.....
- 9.2

Has the code of ethics for senior managers been amended?.....

Yes ☐ No ☒
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).

.....
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers?.....

Yes ☐ No ☒
- 9.31

If the response to 9.3 is Yes, provide the nature of any waiver(s).

.....

FINANCIAL

- 10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?.....

Yes ☒ No ☐
- 10.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$0

INVESTMENT

- 11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes ☐ No ☒
- 11.2

If yes, give full and complete information relating thereto:

.....
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA: \$0
13.

Amount of real estate and mortgages held in short-term investments: \$0
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes ☒ No ☐
- 14.2

If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$0	\$0
14.22 Preferred Stock	\$0	\$0
14.23 Common Stock	\$28,908,395	\$32,041,909
14.24 Short-Term Investments	\$0	\$0
14.25 Mortgage Loans on Real Estate	\$0	\$0
14.26 All Other	\$0	\$0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$28,908,395	\$32,041,909
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$0	\$0
- 15.1

Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes ☐ No ☒
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes ☐ No ☐

If no, attach a description with this statement.

GENERAL INTERROGATORIES

16. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, F - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?.....

Yes [] No [X]

16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Fifth Third Bank.....	Grand Rapids, Michigan.....
Huntington National Bank.....	Grand Rapids, Michigan.....
Mellon Trust.....	Pittsburgh, Pennsylvania.....

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
Michigan Department of Treasury.....	Lansing, Michigan.....	Statutory Deposit - Held by the State of Michigan.....

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

Yes [] No [X]

16.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
N/A.....	Prime Advisors, Inc.....	Bloomfield, Connecticut.....

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

Yes [X] No []

17.2 If no, list exceptions:

.....

SCHEDULE S - CEDED REINSURANCE

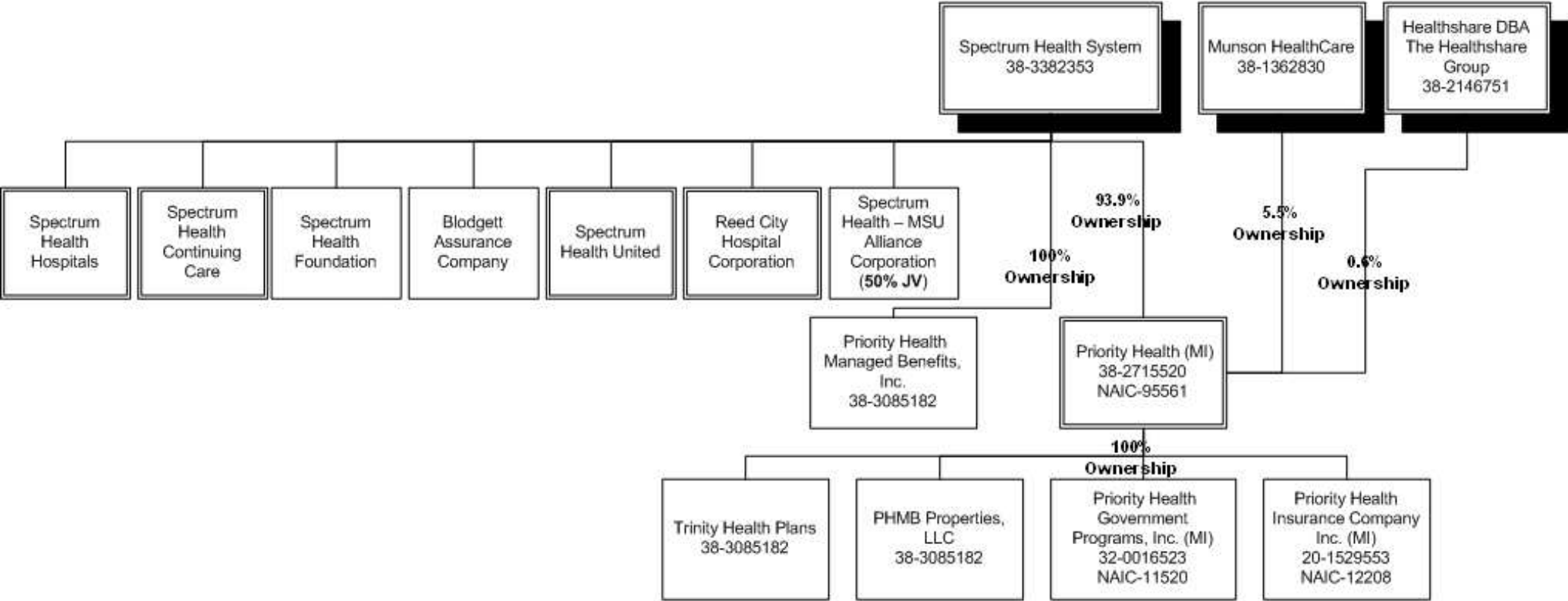
[illegible]

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories									
States, Etc.	1	Direct Business Only							
		2	3	4	5	6	7	8	9
	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefit Program Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama	AL	N						.0	
2. Alaska	AK	N						.0	
3. Arizona	AZ	N						.0	
4. Arkansas	AR	N						.0	
5. California	CA	N						.0	
6. Colorado	CO	N						.0	
7. Connecticut	CT	N						.0	
8. Delaware	DE	N						.0	
9. District of Columbia	DC	N						.0	
10. Florida	FL	N						.0	
11. Georgia	GA	N						.0	
12. Hawaii	HI	N						.0	
13. Idaho	ID	N						.0	
14. Illinois	IL	N						.0	
15. Indiana	IN	N						.0	
16. Iowa	IA	N						.0	
17. Kansas	KS	N						.0	
18. Kentucky	KY	N						.0	
19. Louisiana	LA	N						.0	
20. Maine	ME	N						.0	
21. Maryland	MD	N						.0	
22. Massachusetts	MA	N						.0	
23. Michigan	MI	L	874,073,233	110,487,976				984,561,209	
24. Minnesota	MN	N						.0	
25. Mississippi	MS	N						.0	
26. Missouri	MO	N						.0	
27. Montana	MT	N						.0	
28. Nebraska	NE	N						.0	
29. Nevada	NV	N						.0	
30. New Hampshire	NH	N						.0	
31. New Jersey	NJ	N						.0	
32. New Mexico	NM	N						.0	
33. New York	NY	N						.0	
34. North Carolina	NC	N						.0	
35. North Dakota	ND	N						.0	
36. Ohio	OH	N						.0	
37. Oklahoma	OK	N						.0	
38. Oregon	OR	N						.0	
39. Pennsylvania	PA	N						.0	
40. Rhode Island	RI	N						.0	
41. South Carolina	SC	N						.0	
42. South Dakota	SD	N						.0	
43. Tennessee	TN	N						.0	
44. Texas	TX	N						.0	
45. Utah	UT	N						.0	
46. Vermont	VT	N						.0	
47. Virginia	VA	N						.0	
48. Washington	WA	N						.0	
49. West Virginia	WV	N						.0	
50. Wisconsin	WI	N						.0	
51. Wyoming	WY	N						.0	
52. American Samoa	AS	N						.0	
53. Guam	GU	N						.0	
54. Puerto Rico	PR	N						.0	
55. U.S. Virgin Islands	VI	N						.0	
56. Northern Mariana Islands	MP	N						.0	
57. Canada	CN	N						.0	
58. Aggregate Other Alien	OT	XXX	.0	.0	.0	.0	.0	.0	.0
59. Subtotal	XXX	874,073,233	110,487,976	.0	.0	.0	.0	984,561,209	.0
60. Reporting entity contributions for Employee Benefit Plans	XXX							.0	
61. Total (Direct Business)	(a) 1	874,073,233	110,487,976	0	0	0	0	984,561,209	0
DETAILS OF WRITE-INS									
5801.	XXX								
5802.	XXX								
5803.	XXX								
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	.0	.0	.0	.0	.0	.0	.0	.0
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

(a) Insert the number of L responses except for Canada and other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplemental is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

RESPONSE

1. Will the Medicare Part D Coverage Statement be filed with the state of domicile and the NAIC with this statement?

.....NO.....

Explanation:

1.

Bar Code:

1.



OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A - VERIFICATION

Real Estate

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	711,596	632,051
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	70,243	232,351
2.2 Additional investment made after acquisition		0
3. Current year change in encumbrances		0
4. Total gain (loss) on disposals		0
5. Deduct amounts received on disposals		0
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other than temporary impairment recognized		0
8. Deduct current year's depreciation	92,473	152,806
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	689,366	711,596
10. Deduct total nonadmitted amounts	689,366	711,596
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

SCHEDULE B – VERIFICATION

Mortgage Loans

	1	2
	Year to Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and mortgage interest points and commitment fees		0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Total valuation allowance		0
13. Subtotal (Line 11 plus Line 12)	0	0
14. Deduct total nonadmitted amounts	0	0
15. Statement value at end of current period (Line 13 minus Line 14)	0	0

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	202,938,468	197,413,930
2. Cost of bonds and stocks acquired	81,321,476	71,792,365
3. Accrual of discount	144,254	195,474
4. Unrealized valuation increase (decrease)	6,271,876	(13,732,497)
5. Total gain (loss) on disposals	(1,355,237)	81,801
6. Deduct consideration for bonds and stocks disposed of	58,901,578	52,403,196
7. Deduct amortization of premium	339,782	409,409
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	230,079,477	202,938,468
11. Deduct total nonadmitted amounts	0	801,528
12. Statement value at end of current period (Line 10 minus Line 11)	230,079,477	202,136,940

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	318,351,246	93,966,362	84,930,642	(2,570,162)	349,963,011	318,351,246	324,816,804	321,731,966
2. Class 2 (a).....	14,714,019	2,481,932	1,680,780	1,722,562	6,611,528	14,714,019	17,237,733	6,109,069
3. Class 3 (a).....	0	0	0	0	0	0	0	0
4. Class 4 (a).....	0	0	0	0	0	0	0	0
5. Class 5 (a).....	0	0	0	0	0	0	0	0
6. Class 6 (a).....	0	0	0	0	0	0	0	0
7. Total Bonds	333,065,265	96,448,294	86,611,422	(847,600)	356,574,539	333,065,265	342,054,537	327,841,035
PREFERRED STOCK								
8. Class 1	0	0	0	0	0	0	0	0
9. Class 2	0	0	0	0	0	0	0	0
10. Class 3	0	0	0	0	0	0	0	0
11. Class 4	0	0	0	0	0	0	0	0
12. Class 5	0	0	0	0	0	0	0	0
13. Class 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	333,065,265	96,448,294	86,611,422	(847,600)	356,574,539	333,065,265	342,054,537	327,841,035

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0 ; NAIC 2 \$.....0 ; NAIC 3 \$.....0 ; NAIC 4 \$.....0 ; NAIC 5 \$.....0 ; NAIC 6 \$.....0

SCHEDULE DA - PART 1

Short-Term Investments					
	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	185,206,419	XXX	186,600,005	4,652,137	125,272

SCHEDULE DA - VERIFICATION

Short-Term Investments		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	189,590,733	181,244,200
2. Cost of short-term investments acquired	273,412,746	347,309,253
3. Accrual of discount.....	215,665	533,282
4. Unrealized valuation increase (decrease).....	0	0
5. Total gain (loss) on disposals.....	17,150	7,190
6. Deduct consideration received on disposals.....	275,870,045	338,207,806
7. Deduct amortization of premium.....	2,159,830	1,295,385
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other than temporary impairment recognized.....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	185,206,419	189,590,733
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	185,206,419	189,590,733

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

SCHEDULE E-VERIFICATION

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	0
2. Cost of cash equivalents acquired.....	1,998,000	5,271,842
3. Accrual of discount.....	1,933	27,158
4. Unrealized valuation increase (decrease).....	0	0
5. Total gain (loss) on disposals.....	0	0
6. Deduct consideration received on disposals.....	0	5,299,000
7. Deduct amortization of premium.....	0	0
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other than temporary impairment recognized.....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	1,999,933	0
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	1,999,933	0

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

STATEMENT AS OF SEPTEMBER 30, 2009 OF THE Priority Health

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator ^(a)
31359M-SD-6	FNMA		.09/03/2009	BB&T		522,335	500,000	5,942	1
0399999 - Total	Bonds - U.S. Government					522,335	500,000	5,942	XXX
31283K-4D-7	FHLMC 611720		.07/21/2009	SHAY		1,279,814	1,234,299	2,623	1
3133XE-5D-7	FHLMC 0606 Y		.08/17/2009	SHAY		455,587	428,788	1,381	1
31393Q-N3-2	FHLMC 2614 KB		.08/13/2009	CANTOR FITZGERALD & CO		803,347	774,311	1,645	1
31397N-E5-0	FNMA 2009-31 A		.07/22/2009	GX CLARK		1,072,674	1,040,168	3,005	1
31398E-3H-5	FHLMC 3545 LA		.07/22/2009	GX CLARK		970,271	970,271	1,486	1
31398E-AB-0	FHLMC 3544 KA		.07/20/2009	CANTOR FITZGERALD & CO		1,523,085	1,480,970	4,073	1
31417Y-AL-1	FNMA #MA0010		.07/17/2009	CANTOR FITZGERALD & CO		1,044,080	1,009,230	2,145	1
3199999 - Total	Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of ...					7,148,858	6,938,037	16,357	XXX
12189T-BC-7	BURLINGTON NORTH SANTA FE		.09/21/2009	BARCLAY		374,344	375,000	0	2FE
126650-BH-2	CYS CAREMARK CORP.		.09/18/2009	BONDSDIRECT		533,810	500,000	8,944	2FE
14912L-4F-5	CATERPILLAR FIN SERV CRP		.07/09/2009	BNYMELLON		541,200	500,000	12,931	1FE
191216-AK-6	COCA-COLA CO		.09/30/2009	BNP		819,353	750,000	15,604	1FE
20825C-AR-5	CONOCOPHILLIPS		.07/22/2009	MORGAN STANLEY		837,078	775,000	21,539	1FE
235851-AH-5	DANAHER CORP.		.08/18/2009	BONDSDIRECT		532,715	500,000	12,450	1FE
26442C-AD-6	DUKE ENERGY CAROLINAS		.07/06/2009	NIK		516,050	500,000	5,950	1FE
341081-EN-3	FLORIDA POWER & LIGHT		.09/22/2009	PIPER, JAFFRAY & HOPWOOD		211,636	200,000	1,455	1FE
34985P-AA-0	FORWARD CORPORATION		.09/02/2009	FIFTHTHIRD		90,097	90,000	0	2FE
377372-AD-9	GLAXOSMITHKLINE CAP INC		.07/22/2009	BNYMELLON		537,400	500,000	5,650	1FE
58013M-EB-6	MCDONALD'S CORP.		.07/22/2009	BONDSDIRECT		304,452	278,000	4,568	1FE
61746B-DB-9	MORGAN STANLEY		.09/16/2009	MORGAN STANLEY		517,935	500,000	12,219	1FE
666807-BB-7	NORTHROP GRUMMAN CORP.		.07/27/2009	DMG		249,535	250,000	0	2FE
871829-AL-1	SYSCO CORP.		.08/20/2009	BB&T		506,236	475,000	901	1FE
92343V-AV-6	VERIZON COMMUNICATIONS		.07/09/2009	BNP		537,520	500,000	9,437	1FE
136385-AF-8	CANADIAN NATL RESOURCES	J	.07/08/2009	CITIGROUP		513,530	500,000	2,858	2FE
046353-AA-6	ASTRAZENECA PLC	F	.09/29/2009	GOLDMAN SACHS		551,430	500,000	9,075	1FE
046353-AC-2	ASTRAZENECA PLC	F	.07/09/2009	DMG		544,955	500,000	8,925	1FE
25243Y-AJ-8	DIAGEO CAPITAL PLC	F	.07/22/2009	FIRST TENNESSEE		529,300	500,000	8,938	1FE
298785-EZ-5	EUROPEAN INVESTMENT BANK	F	.09/02/2009	GREENWICH CAPITAL		749,580	750,000	0	1FE
822582-AJ-1	SHELL INTERNATIONAL FIN	F	.09/15/2009	MORGAN STANLEY		498,270	500,000	0	1FE
3899999 - Total	Bonds - Industrial, Misc.					10,496,425	9,943,000	141,443	XXX
8399997 - Total	Bonds - Part 3					18,167,617	17,381,037	163,742	XXX
8399999 - Total	Bonds					18,167,617	17,381,037	163,742	XXX
8999999 - Total	Preferred Stocks					0	XXX	0	XXX
693390-70-0	PIMCO FDS TOTAL RETURN - INST		.09/30/2009	MELLON BANK	20,603.973	220,282	0	0	L
922040-10-0	VANGUARD INSTL INDEX FUND		.09/28/2009	VANGUARD FUNDS	816.999	79,535	0	0	L
9299999 - Total	Common Stocks - Mutual Funds					299,817	XXX	0	XXX
9799997 - Total	Common Stocks - Part 3					299,817	XXX	0	XXX
9799999 - Total	Common Stocks					299,817	XXX	0	XXX
9899999 - Total	Preferred and Common Stocks					299,817	XXX	0	XXX
9999999 - Totals						18,467,435	XXX	163,742	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0 .

STATEMENT AS OF SEPTEMBER 30, 2009 OF THE Priority Health

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
31398A-SC-7..	FNMA		.07/22/2009.	BARCLAY		2,559,208	2,500,000	2,472,575	2,479,324	0	7,452	0	7,452	0	2,486,776	0	72,432	72,432	77,292	.07/12/2010.	1
36202V-XU-0..	GNMA #610991		.09/01/2009.	MBS PMT		22,015	22,015	21,864	22,014	0	.1	0	.1	0	22,015	0	0	0	672	.06/01/2034.	1
36291E-RM-5..	GNMA #626092		.09/01/2009.	MBS PMT		1,646	1,646	1,674	1,643	0	.3	0	.3	0	1,646	0	0	0	60	.03/01/2034.	1
36291S-PT-1..	GNMA #636834		.09/01/2009.	MBS PMT		8,466	8,466	8,641	8,466	0	.1	0	.1	0	8,466	0	0	0	276	.11/01/2034.	1
36295N-ND-5..	GNMA #675488		.09/01/2009.	MBS PMT		141,506	141,506	141,130	141,420	0	86	0	86	0	141,506	0	0	0	5,550	.06/01/2038.	1
362950-LK-4..	GNMA #677230		.09/01/2009.	MBS PMT		74,509	74,509	75,755	75,349	0	(840)	0	(840)	0	74,509	0	0	0	3,001	.08/01/2038.	1
36295S-C8-7..	GNMA #678795		.09/01/2009.	MBS PMT		139,991	139,991	142,375	141,190	0	(1,200)	0	(1,200)	0	139,991	0	0	0	5,574	.12/01/2037.	1
36296K-MW-9..	GNMA #693473		.09/01/2009.	MBS PMT		28,849	28,849	29,012	28,909	0	(60)	0	(60)	0	28,849	0	0	0	1,036	.06/01/2038.	1
36296U-HC-7..	GNMA #701427		.09/01/2009.	MBS PMT		9,068	9,068	8,961	9,055	0	.13	0	.13	0	9,068	0	0	0	300	.11/01/2038.	1
912828-CA-6..	US TREASURY N/B		.07/08/2009.	BNP		2,714,347	2,500,000	2,570,156	2,562,908	0	(5,906)	0	(5,906)	0	2,557,001	0	157,346	157,346	89,779	.02/15/2014.	1
0399999 - Bonds - U.S. Governments						5,699,605	5,426,050	5,472,141	5,470,277	0	(450)	0	(450)	0	5,469,827	0	229,778	229,778	183,540	XXX	XXX
31283H-S9-7..	FHLMC G01444		.09/01/2009.	MBS PMT		7,970	7,970	8,301	8,012	0	(43)	0	(43)	0	7,970	0	0	0	342	.08/01/2032.	1
31283K-4D-7..	FHLMC G11720		.09/01/2009.	MBS PMT		21,462	21,462	22,253	21,462	0	0	0	0	0	21,462	0	0	0	80	.08/01/2020.	1
31287X-Z8-2..	FHLMC C70767		.09/01/2009.	MBS PMT		1,165	1,165	1,206	1,171	0	(6)	0	(6)	0	1,165	0	0	0	47	.09/01/2032.	1
3128JN-ZC-0..	FHLMC 1B2670		.08/19/2009.	VARIOUS		23,122	23,122	23,235	23,143	0	(21)	0	(21)	0	23,122	0	0	0	677	.12/01/2034.	1
3128KG-SB-2..	FHLMC A46242		.09/01/2009.	MBS PMT		19,118	19,118	18,380	19,073	0	46	0	46	0	19,118	0	0	0	615	.07/01/2035.	1
3128M1-C7-2..	FHLMC G11994		.09/01/2009.	MBS PMT		25,786	25,786	25,621	25,756	0	.31	0	.31	0	25,786	0	0	0	930	.05/01/2021.	1
3128M1-KY-4..	FHLMC G12211		.09/01/2009.	MBS PMT		24,205	24,205	23,627	24,126	0	.79	0	.79	0	24,205	0	0	0	796	.06/01/2021.	1
3128M1-NX-3..	FHLMC G12306		.09/01/2009.	MBS PMT		19,942	19,942	20,132	19,980	0	(38)	0	(38)	0	19,942	0	0	0	790	.07/01/2021.	1
3128M4-K6-9..	FHLMC G02717		.09/01/2009.	MBS PMT		79,971	79,971	79,021	79,939	0	32	0	32	0	79,971	0	0	0	2,869	.02/01/2037.	1
3128MJ-BP-4..	FHLMC G08045		.09/01/2009.	MBS PMT		17,915	17,915	17,803	17,908	0	.8	0	.8	0	17,915	0	0	0	574	.03/01/2035.	1
3128MJ-BQ-2..	FHLMC G08046		.09/01/2009.	MBS PMT		48,966	48,966	49,700	49,013	0	(47)	0	(47)	0	48,966	0	0	0	1,720	.03/01/2035.	1
3128MJ-CJ-7..	FHLMC G08072		.09/01/2009.	MBS PMT		24,626	24,626	23,999	24,598	0	28	0	28	0	24,626	0	0	0	792	.08/01/2035.	1
3128MJ-F4-7..	FHLMC G08186		.09/01/2009.	MBS PMT		72,959	72,959	72,252	72,913	0	45	0	45	0	72,959	0	0	0	2,587	.03/01/2037.	1
3128MM-CQ-4..	FHLMC G18078		.09/01/2009.	MBS PMT		21,222	21,222	20,854	21,162	0	60	0	60	0	21,222	0	0	0	704	.10/01/2020.	1
3128MM-DG-5..	FHLMC G18102		.09/01/2009.	MBS PMT		14,286	14,286	14,496	14,316	0	(30)	0	(30)	0	14,286	0	0	0	569	.02/01/2021.	1
31292H-R7-1..	FHLMC C01410		.09/01/2009.	MBS PMT		5,941	5,941	6,128	5,971	0	(30)	0	(30)	0	5,941	0	0	0	234	.10/01/2032.	1
31292H-RZ-9..	FHLMC C01404		.09/01/2009.	MBS PMT		4,445	4,445	4,612	4,460	0	(14)	0	(14)	0	4,445	0	0	0	190	.10/01/2032.	1
31292J-BQ-2..	FHLMC C01847		.09/01/2009.	MBS PMT		21,139	21,139	20,875	21,126	0	.14	0	.14	0	21,139	0	0	0	750	.06/01/2034.	1
31292J-BR-0..	FHLMC C01848		.09/01/2009.	MBS PMT		28,095	28,095	28,785	28,138	0	(42)	0	(42)	0	28,095	0	0	0	1,096	.06/01/2034.	1
31294K-YC-3..	FHLMC E01607		.09/01/2009.	MBS PMT		16,854	16,854	17,065	16,882	0	(28)	0	(28)	0	16,854	0	0	0	562	.04/01/2019.	1
312965-TD-8..	FHLMC B13248		.09/01/2009.	MBS PMT		54,433	54,433	55,395	54,530	0	(96)	0	(96)	0	54,433	0	0	0	1,815	.04/01/2019.	1
312969-ZB-8..	FHLMC B17190		.09/01/2009.	MBS PMT		26,720	26,720	26,687	26,718	0	.2	0	.2	0	26,720	0	0	0	798	.11/01/2019.	1
312969-FY-9..	FHLMC B16483		.09/01/2009.	MBS PMT		17,907	17,907	18,330	17,954	0	(46)	0	(46)	0	17,907	0	0	0	622	.09/01/2019.	1
31297C-KU-3..	FHLMC A24807		.09/01/2009.	MBS PMT		87,007	87,007	85,852	87,002	0	.5	0	.5	0	87,007	0	0	0	2,855	.07/01/2034.	1
31297C-ZO-6..	FHLMC A25251		.09/01/2009.	MBS PMT		7,431	7,431	7,683	7,456	0	(25)	0	(25)	0	7,431	0	0	0	268	.08/01/2034.	1
31297E-UN-4..	FHLMC A26889		.09/01/2009.	MBS PMT		105,925	105,925	107,150	106,189	0	(263)	0	(263)	0	105,925	0	0	0	3,969	.09/01/2034.	1
31297G-FG-1..	FHLMC A28267		.09/01/2009.	MBS PMT		89,306	89,306	90,785	89,421	0	(115)	0	(115)	0	89,306	0	0	0	3,051	.11/01/2034.	1
31297N-QE-1..	FHLMC A32253		.09/01/2009.	MBS PMT		2,038	2,038	1,992	2,040	0	(2)	0	(2)	0	2,038	0	0	0	68	.04/01/2035.	1
31297N-TA-4..	FHLMC A33245		.09/01/2009.	MBS PMT		14,540	14,540	14,092	14,522	0	.18	0	.18	0	14,540	0	0	0	436	.02/01/2035.	1
31335H-AP-5..	FHLMC C90830		.09/01/2009.	MBS PMT		23,821	23,821	23,475	23,782	0	.39	0	.39	0	23,821	0	0	0	696	.05/01/2024.	1
31335H-SF-6..	FHLMC C90846		.09/01/2009.	MBS PMT		31,679	31,679	32,391	31,803	0	(124)	0	(124)	0	31,679	0	0	0	1,117	.08/01/2024.	1
3133X9-DY-3..	FHLB 6T-9009 1		.09/25/2009.	MBS PMT		28,313	28,313	28,216	28,235	0	.78	0	.78	0	28,313	0	0	0	706	.11/25/2009.	1
3133XE-SO-7..	FHLMC 0606 Y		.09/28/2009.	MBS PMT		19,652	19,652	20,881	20,881	0	0	0	0	0	19,652	0	0	0	121	.12/28/2012.	1
31371H-D9-6..	FNMA #252228		.09/01/2009.	MBS PMT		743	743	778	745	0	(2)	0	(2)	0	743	0	0	0	31	.12/01/2028.	1
31371K-T6-8..	FNMA #254473		.09/01/20																		

STATEMENT AS OF SEPTEMBER 30, 2009 OF THE Priority Health

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
31388K-GA-4..	FNMA #606893.....		09/01/2009..	MBS PMT.....		.636	.636	.655	.639	.0	.(3)	.0	.(3)	.0	.636	.0	.0	.0	.30	10/01/2031..	1..
31388L-C8-1..	FNMA #607695.....		09/01/2009..	MBS PMT.....		2,545	2,545	2,631	2,557	.0	.(12)	.0	.(12)	.0	2,545	.0	.0	.0	.113	11/01/2031..	1..
31388R-GT-8..	FNMA #612310.....		09/01/2009..	MBS PMT.....		.764	.764	.790	.769	.0	.(5)	.0	.(5)	.0	.764	.0	.0	.0	.31	09/01/2016..	1..
31389U-TR-0..	FNMA #636060.....		09/01/2009..	MBS PMT.....		.100	.100	.104	.100	.0	.0	.0	.0	.0	.100	.0	.0	.0	.5	04/01/2032..	1..
31390P-TE-7..	FNMA #652249.....		09/01/2009..	MBS PMT.....		.480	.480	.489	.480	.0	.(1)	.0	.(1)	.0	.480	.0	.0	.0	.16	09/01/2017..	1..
31391D-DD-2..	FNMA #663500.....		09/01/2009..	MBS PMT.....		2,005	2,005	2,031	2,009	.0	.(4)	.0	.(4)	.0	2,005	.0	.0	.0	.73	10/01/2032..	1..
31391J-JW-3..	FNMA #668168.....		09/01/2009..	MBS PMT.....		8,910	8,910	9,169	8,951	.0	.(41)	.0	.(41)	.0	8,910	.0	.0	.0	.399	11/01/2032..	1..
31391Q-S8-8..	FNMA #673843.....		09/01/2009..	MBS PMT.....		3,999	3,999	4,075	4,007	.0	.(8)	.0	.(8)	.0	3,999	.0	.0	.0	.147	10/01/2017..	1..
31393Q-N3-2..	FHLMC 2614 KB.....		09/01/2009..	MBS PMT.....		34,645	34,645	35,944	.0	.0	.0	.0	.0	.0	34,645	.0	.0	.0	.130	01/01/2013..	1..
31393W-V9-7..	FHLMC 2641 KJ.....		09/01/2009..	MBS PMT.....		35,316	35,316	36,398	.0	.0	.0	.0	.0	.0	35,316	.0	.0	.0	.347	12/01/2014..	1..
31394R-TQ-2..	FHLMC 2757 AB.....		09/01/2009..	MBS PMT.....		61,058	61,058	62,928	.0	.0	.(183)	.0	.(183)	.0	61,058	.0	.0	.0	.753	01/01/2012..	1..
31395G-ZT-2..	FHLMC 2874 BA.....		09/01/2009..	MBS PMT.....		68,489	68,489	70,276	.0	.0	.(47)	.0	.(47)	.0	68,489	.0	.0	.0	.446	12/01/2012..	1..
31397N-E5-0..	FNMA 2009-31 A.....		09/01/2009..	MBS PMT.....		35,887	35,887	37,008	.0	.0	.(13)	.0	.(13)	.0	35,887	.0	.0	.0	.174	04/01/2018..	1..
31398E-3H-5..	FHLMC 3545 LA.....		09/01/2009..	MBS PMT.....		37,861	37,861	37,861	.0	.0	.0	.0	.0	.0	37,861	.0	.0	.0	.94	04/01/2013..	1..
31398E-AB-0..	FHLMC 3544 KA.....		09/01/2009..	MBS PMT.....		36,555	36,555	37,595	.0	.0	.(13)	.0	.(13)	.0	36,555	.0	.0	.0	.198	07/01/2017..	1..
31400C-6F-6..	FNMA #684070.....		09/01/2009..	MBS PMT.....		4,606	4,606	4,716	4,615	.0	.(9)	.0	.(9)	.0	4,606	.0	.0	.0	.154	05/01/2018..	1..
31400W-T7-5..	FNMA #699974.....		09/01/2009..	MBS PMT.....		12,877	12,877	13,191	12,898	.0	.(21)	.0	.(21)	.0	12,877	.0	.0	.0	.477	04/01/2033..	1..
31401B-VB-8..	FNMA #703610.....		09/01/2009..	MBS PMT.....		5,940	5,940	6,093	5,959	.0	.(19)	.0	.(19)	.0	5,940	.0	.0	.0	.176	06/01/2018..	1..
31401W-V9-7..	FNMA #720740.....		09/01/2009..	MBS PMT.....		11,823	11,823	12,102	11,834	.0	.(11)	.0	.(11)	.0	11,823	.0	.0	.0	.358	07/01/2033..	1..
31402Q-CF-6..	FNMA #734570.....		09/01/2009..	MBS PMT.....		4,815	4,815	4,774	4,812	.0	.4	.0	.4	.0	4,815	.0	.0	.0	.177	08/01/2033..	1..
31402W-LY-2..	FNMA #740243.....		09/01/2009..	MBS PMT.....		26,809	26,809	27,195	26,818	.0	.(8)	.0	.(8)	.0	26,809	.0	.0	.0	1,047	10/01/2033..	1..
31403D-T8-2..	FNMA #745875.....		09/01/2009..	MBS PMT.....		30,163	30,163	30,430	30,180	.0	.(17)	.0	.(17)	.0	30,163	.0	.0	.0	1,313	09/01/2036..	1..
31403U-3H-2..	FNMA #758700.....		09/01/2009..	MBS PMT.....		13,124	13,124	12,829	13,100	.0	.25	.0	.25	.0	13,124	.0	.0	.0	.353	11/01/2019..	1..
31403V-GR-4..	FNMA #759008.....		09/01/2009..	MBS PMT.....		3,134	3,134	3,110	3,131	.0	.3	.0	.3	.0	3,134	.0	.0	.0	.98	01/01/2034..	1..
31404D-Q6-6..	FNMA #765555.....		09/01/2009..	MBS PMT.....		18,599	18,599	18,317	18,606	.0	.(7)	.0	.(7)	.0	18,599	.0	.0	.0	.548	12/01/2033..	1..
31404J-QD-0..	FNMA #770052.....		09/01/2009..	MBS PMT.....		4,605	4,605	4,648	4,609	.0	.(4)	.0	.(4)	.0	4,605	.0	.0	.0	.138	03/01/2019..	1..
31404K-TB-8..	FNMA #771046.....		09/01/2009..	MBS PMT.....		48,811	48,811	48,651	48,802	.0	.9	.0	.9	.0	48,811	.0	.0	.0	1,600	04/01/2019..	1..
31405B-A6-8..	FNMA #784029.....		09/01/2009..	MBS PMT.....		33,295	33,295	33,186	33,286	.0	.9	.0	.9	.0	33,295	.0	.0	.0	1,017	06/01/2019..	1..
31405C-UT-4..	FNMA #785494.....		09/01/2009..	MBS PMT.....		24,277	24,277	24,095	24,272	.0	.5	.0	.5	.0	24,277	.0	.0	.0	.837	06/01/2034..	1..
31405F-3V-2..	FNMA #788412.....		09/01/2009..	MBS PMT.....		50,862	50,862	50,162	50,822	.0	.39	.0	.39	.0	50,862	.0	.0	.0	1,525	07/01/2019..	1..
31405H-S6-9..	FNMA #790247.....		09/01/2009..	MBS PMT.....		56,168	56,168	54,905	56,111	.0	.57	.0	.57	.0	56,168	.0	.0	.0	1,731	08/01/2034..	1..
31405W-MA-2..	FNMA #793353.....		09/01/2009..	MBS PMT.....		48,058	48,058	49,500	48,182	.0	.(124)	.0	.(124)	.0	48,058	.0	.0	.0	1,859	08/01/2034..	1..
31405N-S8-9..	FNMA #794443.....		09/01/2009..	MBS PMT.....		32,565	32,565	32,947	32,574	.0	.(9)	.0	.(9)	.0	32,565	.0	.0	.0	1,128	10/01/2034..	1..
31405P-QQ-6..	FNMA #795263.....		09/01/2009..	MBS PMT.....		19,144	19,144	19,491	19,180	.0	.(35)	.0	.(35)	.0	19,144	.0	.0	.0	.624	09/01/2019..	1..
31406B-EU-0..	FNMA #804847.....		09/01/2009..	MBS PMT.....		2,539	2,539	2,449	2,535	.0	.4	.0	.4	.0	2,539	.0	.0	.0	.76	01/01/2035..	1..
31406F-TS-0..	FNMA #808861.....		09/01/2009..	MBS PMT.....		53,546	53,546	54,380	53,520	.0	.25	.0	.25	.0	53,546	.0	.0	.0	1,973	01/01/2035..	1..
31406K-E9-7..	FNMA #812060.....		09/01/2009..	MBS PMT.....		20,836	20,836	20,741	20,824	.0	.12	.0	.12	.0	20,836	.0	.0	.0	.694	03/01/2035..	1..
31406T-JR-3..	FNMA #819372.....		09/01/2009..	MBS PMT.....		30,438	30,438	30,278	30,415	.0	.22	.0	.22	.0	30,438	.0	.0	.0	.917	03/01/2020..	1..
31407B-U6-4..	FNMA #826005.....		09/01/2009..	MBS PMT.....		18,337	18,337	17,704	18,294	.0	.43	.0	.43	.0	18,337	.0	.0	.0	.598	07/01/2035..	1..
31407Y-ES-4..	FNMA #844445.....		09/01/2009..	MBS PMT.....		36,762	36,762	35,389	36,702	.0	.60	.0	.60	.0	36,762	.0	.0	.0	1,322	12/01/2035..	1..
31407Y-R6-8..	FNMA #844809.....		09/01/2009..	MBS PMT.....		27,709	27,709	26,982	27,661	.0	.48	.0	.48	.0	27,709	.0	.0	.0	.894	11/01/2035..	1..
31408A-EN-6..	FNMA #845341.....		09/01/2009..	MBS PMT.....		33,172	33,172	33,027	33,153	.0	.20	.0	.20	.0	33,172	.0	.0	.0	1,180	01/01/2036..	1..
31408B-2X-5..	FNMA #846890.....		09/01/2009..	MBS PMT.....		31,013	31,013	30,616	30,993	.0	.20	.0	.20	.0	31,013	.0	.0	.0	1,032	12/01/2035..	1..
31408D-UQ-5..	FNMA #848491.....		09/01/2009..	MBS PMT.....		41,556	41,556	40,751	41,530	.0	.26	.0	.26	.0	41,556	.0	.0	.0	1,512	12/01/2035..	1..
31409E-LS-8..	FNMA #868937.....		09/01/2009..	MBS PMT.....		16,619	16,619	16,822</													

STATEMENT AS OF SEPTEMBER 30, 2009 OF THE Priority Health

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter																						
1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22	
										11	12	13	14	15								
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)	
37185Q-AA-9..	GENESYS MEDSPORTS LLC.....		..07/01/2009..	CALL at 100.000.....		60,000	60,000	60,000	60,000	..0	..0	..0	..0	..0	60,000	..0	..0	..0	1,105	..01/01/2027..	..2FE..	
46625M-WW-5..	JPMCC 2003-CB6 A1.....		..09/14/2009..	MBS PMT.....		23,754	23,754	23,958	23,779	..0	(25)	..0	(25)	..0	23,754	..0	..0	..0	694	..12/01/2012..	..1FE..	
46625Y-DB-6..	JPMCC 2004-CBX A3.....		..09/14/2009..	MBS PMT.....		72,261	72,261	71,200	72,056	..0	205	..0	205	..0	72,261	..0	..0	..0	2,014	..12/01/2009..	..1FE..	
61748A-AE-6..	MORGAN STANLEY.....		..09/16/2009..	MK.....		499,885	500,000	497,815	498,647	..0	167	..0	167	..0	498,813	..0	1,072	1,072	23,090	..04/01/2014..	..1FE..	
61757U-AH-3..	MORGAN STANLEY.....		..09/03/2009..	Wall Street Access.....		504,545	500,000	499,790	..0	..0	35	..0	35	..0	499,825	..0	4,720	4,720	6,202	..06/20/2012..	..1FE..	
80819P-AA-5..	SCHULTE CORP.....		..09/01/2009..	CALL at 100.000.....		120,000	120,000	120,000	..0	..0	..0	..0	..0	..0	120,000	..0	..0	..0	2,392	..09/01/2024..	..2FE..	
85748K-AA-1..	STATE STREET CORP.....		..07/22/2009..	BANK OF AMERICA.....		1,013,845	1,000,000	1,010,890	..0	..0	(922)	..0	(922)	..0	1,009,968	..0	3,877	3,877	8,421	..04/30/2012..	..1FE..	
949780-AA-8..	WFMS 2003-6 1A1.....		..09/01/2009..	MBS PMT.....		38,476	38,476	38,957	38,563	..0	(87)	..0	(87)	..0	38,476	..0	..0	..0	1,251	..05/01/2018..	..1FE..	
046353-AC-2..	ASTRAZENECA PLC.....	F	..09/29/2009..	GOLDMAN SACHS.....		547,585	500,000	544,955	..0	..0	(2,951)	..0	(2,951)	..0	542,004	..0	5,581	5,581	14,775	..09/15/2012..	..1FE..	
822582-AF-9..	SHELL INTERNATIONAL FIN.....	F	..09/15/2009..	PIPER, JAFFRAY & HOPWOOD.....		261,703	250,000	256,050	..0	..0	(313)	..0	(313)	..0	255,737	..0	5,965	5,965	4,861	..03/21/2014..	..1FE..	
3899999 - Bonds - Industrial and Miscellaneous						7,060,881	7,073,409	7,325,063	2,066,128	0	(12,050)	0	(12,050)	0	7,282,410	0	(221,529)	(221,529)	162,008	XXX	XXX	
8399997 - Bonds - Part 4						16,249,630	15,988,603	16,295,938	10,649,071	0	(14,055)	0	(14,055)	0	16,241,381	0	8,249	8,249	458,227	XXX	XXX	
8399999 - Total - Bonds						16,249,630	15,988,603	16,295,938	10,649,071	0	(14,055)	0	(14,055)	0	16,241,381	0	8,249	8,249	458,227	XXX	XXX	
8999999 - Total - Preferred Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9799999 - Total - Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9899999 - Total - Preferred and Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
																	</					

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

STATEMENT AS OF SEPTEMBER 30, 2009 OF THE Priority Health

SCHEDULE E - PART 1 - CASH

[illegible]

SCHEDULE E - PART 2 - CASH EQUIVALENTS

[illegible]